

PORTLAND COMMUNITY COLLEGE - BOARD OF DIRECTORS
12000 S.W. 49th Avenue - Portland, OR 97219

BUSINESS SESSION

December 11, 2014

Sylvania Campus, Campus Center, Rooms 238 and 239
12000 SW 49th Avenue, Portland, OR 97219

MINUTES

EXECUTIVE SESSION

The Board of Directors met at 6:00 pm in accordance with ORS 192.660 (2)-in accordance with ORS 192.660 (2), (a) Employment of a Public Official, (d) Labor Negotiation, (e) Real Property Transactions, (f) Information Exempt from Public Disclosure (Attorney-Client Privilege), (h) Litigation

BOARD ATTENDANCE

Denise Frisbee, Jim Harper, Chair Deanna Palm, Courtney Wilton

CALL TO ORDER

Chair Palm called the business meeting to order at 7:31 pm and invited all present to introduce themselves.

APPROVAL OF THE AGENDA

The agenda was changed to bring the business meeting to the front, in case of bad weather. Wilton/Frisbee

PUBLIC COMMENT ON AGENDA ITEMS

None

BUSINESS MEETING

Chair Palm proposed approval of Resolutions 15-065 through 15-070 that are on the consent agenda. The motion passed unanimously. Harper/Wilton

PUBLIC COMMENT ON NON-AGENDA ITEMS

None

INFORMATION SESSIONS

Faculty Focus

Gregg Rapp, Instructor, Business Administration

Mr. Rapp has been with PCC for 20 years. He started back in 1994 as an adjunct faculty while working in industry, he feels very fortunate to have been offered a full time position 14 years ago. He shared four things with the board members. He stated there is nothing better as a teacher than to walk into a classroom and know that you're helping and guiding them. He shared a short video that they created about a year ago for their program review. It gives a good feel for what business students are studying and what their goals are. A lot of the students are pursuing an accounting degree, in fact, three different associate degrees are offered. There are also degrees in marketing and management. Students come to PCC to take their business requirements for the business schools at Portland State, University of

Oregon, Oregon State, and other private schools.

Next he shared a bit about the faculty in the department. He noted, they're very professional, have a wide range of interests, but they are occasionally weird too. He asked them to send him a "selfie" to introduce them. Phil Seder is the department chair at Sylvania, he is a University of Oregon graduate, worked in the Peace Corps for six years, earned his MBA from Columbia University in New York City and has spent about fifteen years in the high tech industry here in Portland. A lot of the alums happen to be from the University of Oregon. This is Jeff Edwards, University of Oregon alum. He is a CPA on the accounting faculty, he's got a big smile because the Ducks are going to the Rose Bowl. He didn't get pictures of everybody. In total there are 13 full time faculty and over 70 part time faculty that teach for PCC. It's a pretty big group of people. These folks are doing a lot of very, very interesting things that would take more time.

He noted that over half of their FTE students in the business program are taught online. There has been an extreme growth the last couple years. Most faculty teach one or two classes online in addition to their campus classes. He felt online classes were missing the personal interaction with students. Business students in particular should develop those skills, so with the help of Distance Learning, they built video conferencing tools into D2L. Now he requires all of his students to use video conferencing software to attend discussions and give group presentations back to the class. It's been fascinating in the past year to see the rich discussions they have. He felt they were getting a lot more out of the class through this medium. It is important to continue to push the envelope to use technology to make the online classes even richer and more efficient and effective.

Another project that he shared was started 4 years ago. He was fortunate to get a sabbatical approval for one term. He wanted experience China and ideally teach over there. He spent 2 months in China, and it was truly a trip of a lifetime and something he'll take with him forever. He flew into Tokyo, spent two weeks in Dalian, a city of six million people. From there he flew up to Changchun and was a guest lecturer at Northeast Normal University, a large university of about 20,000 students in Northeast China. From there he went to Beijing, spent a couple of days there and met with some former colleagues in Beijing and then flew down to Hong Kong for five days, and then to Shanghai for about two weeks. The highlight of this trip was the two weeks that he spent in Changchun at Northeast Normal University. He was invited by the eCommerce department, which is a school of business in the foreign language department. What is interesting about this program is all the business classes are taught in English. He was invited in as a guest lecturer for two weeks, he was nervous and apprehensive about it, but it came together just beautifully. In the classroom he found the students to be great, all very interested in the United States, very eager to practice their English. The classrooms were well equipped with technology. He added that the trip didn't end at this university, it has grown since then. A year after his visit one of their professors came here for 2 weeks. The following year one of our professors went over and visited for another two weeks, Phil Seder our Department Chair of Sylvania. There have been several joint projects with our students over the last couple of years. In fact, this term he had his business communication students email with the students in China. His students got a lot out of it, they learned a lot about China through that process. To end on the China trip, he made a trip to the Goodyear Tire Factory in Dalian. He had a great tour and learned a lot about their business practices in China. He also spent a day at his previous employer, Sulzer International, a Swiss company. They have an operation plant in Dalian, he was able to spend a day there in Dalian with staff and learned a lot about their manufacturing operations.

He truly appreciates the opportunities for sabbaticals and the great support he feels through distance learning.

2014 Audit Presentation

Kenneth Kuhns and Scott Mueller, Kenneth Kuhns and Company

Mr. Kuhns noted that he started out just as our students in the business program at a community college. He introduced Alyssa Kelly, a member of the audit team that worked on this year's PCC audit. Scott Mueller was the audit manager in charge of the audit this year; he will make the presentation to the board.

Mr. Mueller covered the highlights of the report. He started right behind the financial section tab on pages one through three. Essentially the financial statements contained in this document are the product of the college and they're based on the college's record. The part of the product is this independent auditor's report. They audited the financial statements for the year end of June 30th, 2014. Management is responsible for the financial statements, for the fairness of the presentation. Management is also responsible for the internal controls that are used to prepare these financial statements. Responsibility as auditors is to express an opinion on the financial statements based on their audit. They performed their audit in accordance with generally accepted auditing standards. Because the college receives a large amount of federal funding, they also performed the audit in accordance with government auditing standards. They performed the various tests that are required as auditors, and they've issued an opinion on page two of the financial statements. It's right up at the top in the second paragraph.

It's their opinion that the financial statements are fairly presented in all material respects. This is what's called an unmodified opinion. Sometimes it's also referred to as a clean opinion. It's the best opinion that can be received, and it's the opinion that was earned on these financial statements. So that means as Board members and other users for financial statements can rely on the information in this document.

The second piece of the audit is back in the audit section, pages 102 and 103. As part of the audit, because PCC is a municipality within the state of Oregon they were required to look at certain state laws and regulations and whether the college has complied with those. Those types of things are local budget law, depository of public funds, and indebtedness. They looked at all those things as well as public contracting and found no exceptions during the audit. So, again, this is a clean report.

The next section of this is disclosures in accordance with OMB Circular A133 and government auditing standards. The college receives about \$174 million dollars in federal funding. Page 115 is essentially the schedule of findings that shows all the results of the audit. Item 1 was the report he went through earlier, the independent auditors report. There's also a report in here, in accordance with government auditing standards, they looked at internal controls college-wide. They also looked at compliance college-wide. There were no significant deficiencies in internal controls and no instance of noncompliance that was noted during the audit.

The second report in the document is a report on their testing in accordance with OMB Circular A133. Item 7, tested student financial aid programs. Those account for over ninety

percent of total dollars extended in federal programs. They audited that program as a major program this past year and found no significant deficiencies in the internal controls over those federal programs. They issued an opinion that complied with the federal laws and regulations in all material respects related to those programs. Not only did PCC receive a clean opinion on financial statements, but on federal program as well, so clean in terms of testing.

The final piece of the audit is the two page letter that's separate. This is what's referred to as a governance letter. They are required to disclose certain things to PCC outside of just the normal audit process. If the college had any changes in accounting principles they would disclose those too just to make all aware of them. During this past year there were no changes to the accounting principles. There is a fairly significant governmental accounting standard that's coming up this next year. It's essentially GASB 68 and it relates to PERS plans. It is going to require is that PCC records unfunded liability within the financial statements. Next year that statement will see a fairly large reduction. That will be a fairly significant change that all entities are going to be receiving this next year.

Director Frisbee thanked the presenters for the report. She is pleased with the financial reporting and Jim's management. She stated the relationship that has developed as the auditor of record is really impressive. Some work a few years ago showed some material weaknesses and some deficiencies, and it is wonderful to get a clean report. To know that the federal financial aid review was clean is great, because it is such a significant dollar. She also congratulated the Financial Services folks.

Mr. Mueller said they do appreciate all the effort that staff and management put into this document. When they come in the door everything is ready and available. All questions are answered and staff provides any assistance they need. The accounting records presented to them for audit upon which the statements are based were very clean, very well maintained during the year. Those are the records that are verified and challenged both internally and from external sources. Cooperation from personnel was outstanding. Bottom line, PCC received clean opinions on the financial statements, clean opinions on the financial aid, clean opinions as far as compliance for state requirements. It was a job well done by the college and this is a report that those who rely on it can rely on it with confidence during the year.

Director Wilton congratulated the financial services staff for, again, for the job that they've done. He noted this is as good as it gets in terms of the opinion and the lack of findings. As a board member one thing that makes them very nervous is if finances start to fall apart. There will always be issues and arguments because of the tax structure and education funding is always challenging. PCC does a nice job of managing this money, once it gets here; this is comforting as a board member. He echoed what Director Frisbee said, they appreciate the relationship. Director Wilton recognizes their expertise, and understands that they audit university and big colleges in Oregon. That expertise helps in terms of their ability to look at things and probably be pretty efficient too. A couple of minor comments that he noticed in the audit as he looked at numbers. He is concerned that the general fund balance is down significantly. Everyone is aware that we're down around \$20 million and pretty close to the board minimum. As we talk about budget going forward, he suggests they talk about bumping it up, in a measured way. Even though there is a recovery, it doesn't feel like recovery. Yet at some point there won't be a recovery and will have to look at that reserve. He noted that the college is going to want to build it up so that the next time that happens,

and there will be a next time, there will be some cushion to potentially minimize layoffs. The other thing that jumped out at him is the significant post-retirement liability that's completely unfunded. At some point it would be good to talk about that as well. He is not critical of the program, but if it continues then they should start thinking about trying to put some money aside to match that liability, otherwise it just, it sticks a future board with a big number, in some ways is quite unfair.

Educational Advisory Committee Update

Sylvia Gray, Chair, EAC Committee

Ms. Gray gave a presentation on what the EAC Committee has done in the last year. They have two sides to their job; they revise policies and standards, working on curriculum, student development, and student governance issues. They make recommendations to the President. They also are a forum for discussion, exchanging views on the many educational issues at PCC. The group is mostly, but they also have students, Classified staff, academic professionals, and administrators on this council. So when issues come up, they have a nice representation of viewpoints and roles, and it makes for a really good conversation.

There are five standing committees; the chairs of these committees comprise the leadership team. Each of the chairs has jobs in addition to being a part of the leadership team. Two of them are here tonight, Linda Ferguson-Kolmes, Chair of the Curriculum Committee, and Janeen Hull, Chair of the Degrees and Certificates Committee. The other two chairs unfortunately are sick.

Often the EAC has a need for taskforces, currently there are two. One is working on academic integrity and the other is working on ACCEP, which stands for Addressing the Collective Climate and Experience of Part Timers. She mentioned these last year briefly. Each of the committees and taskforce worked on a lot of things last year, including new degrees or certificates; Oregon Coast Community College became a contracting college, so all of their degrees that were different than what PCC offered had to go through this process.

They worked on expanding the ways that students can demonstrate math competencies. Recently there was one path for it, but now there is a new math class that can meet requirements for the AAS and the AGS degrees. It is more practical. It is more like math in context instead of simply theoretical. It has been approved by Dr. Brown.

The Curriculum Committee looked at 365 different courses that came through the committee last year. They were looked at thoroughly and discussed. It is very important to have peers looking at these courses. They also transitioned from paper to CourseLeaf software, which was a big job. They also did an inquiry on assessment to get a sense of how people are assessing outcomes.

A lot of work was done on academic policies and standards. They revised two standards last year, the student development committee worked on the academic Fresh Start Policy. Work was done with a lot of different departments within the college and then brought in through the EAC. This policy is intended for students who really bombed the first time they went through college. Their policy makes it so that a student can apply to go through and retake classes to get better grades. Their transcript remains the same, but in terms of figuring grade point averages, they have to have been away for seven years. It's a whole process they have to go through to qualify. The committee felt that it was a good policy for a certain

number of students, so they worked very hard on that.

The Membership Committee works hard on getting representation from around the District. With the help of Cheryl Scott, PCC joined the International Center for Academic Integrity; this is a major group that works with these issues. Some of the faculty attended their conference and came back with a message to have better academic integrity context and culture. The first thing is to promote integrity; this should be a major effort. Secondly, prevent academic dishonesties; there are a lot of ways to go about that. Lastly, there needs to be penalties for violations, making sure this is the last focus.

Part-time faculty is a nationwide issue. There have been numerous articles and research on this topic. If anyone is interested in this subject, start with the CCCSE Contingent Commitments. It has a short presentation on the issues, along with the Delphi Project. A few numbers from PCC, from last April, there were 472 full-time faculty and 1,529 part-time faculty. Most recently, from November, 37% of courses are taught by full time faculty, and sixty-three percent by part-time faculty.

EAC conducted a survey along with a number of forums. The information collected showed some departments are doing a great job. Many needs were expressed, including an effective orientation and parking. Parking was a big issue as many come to teach just the one class, and finding a parking place is difficult. Something that came through clearly is they have a lot of passion for teaching, passion for PCC's mission, and dedication. On the other hand, they experience disrespect and feeling like a second class citizen. These are concerns are typical of this group. EAC is discussing these findings.

Other topics they visited were course scheduling and cancellation. They had a disciplinary process review committee, which made some recommendations to the DOIs, which they are looking at that now. The EAC committee contributed to the strategic plan. Yesterday they had a meeting and presentation regarding dual credit. There is still some concern about the instructor qualifications within dual credit. They also had a great presentation on open educational resources.

Director Frisbee commented that they have had an amazing year's of work, which we all should be proud to claim that level of accomplishment while you're still working. She thanked Ms. Gray. Director Frisbee noted that expanding ways to demonstrate a math competency is excellent and a needed step. Another topic that intrigued Director Frisbee was the Fresh Start Policy, which will serve concerns and goals for enhancing completion and contributing towards student success.

Chair Palm thanked the committee members for attending and for their participation and the diversity of work that they are able to get done. It is vital to the college, truly appreciated.

REPORTS

Faculty and Academic Professionals Federation

Frank Goulard, President, AP and Faculty Federation

Mr. Goulard noted that it was great to see Jim Harper at the recent HECC meeting, along with Kendra, including the subcommittee meetings. It is nice to see PCC along with the university folk at all the meetings. They are gearing up for the legislative session, it's not just about this community college support fund, but it's all these targeted investments we're

interested in. Whether it's career technical, the underserved students, or student affordability, it's so critical in the state. He is looking forward to visiting Clatsop next Thursday for the OCCA meeting that Jeremy will be at as well, to discuss this whole notion of how to integrate outcomes based funding and to what degree, and over how many years of rolling average, and what percentages get phased in, and over how many years do we phase it in, and what is predicated on it. It's all a mystery. This is just as a community college, universities have their own ideas; their seven provosts are working on that. Any involvement on these issues is appreciated.

Regarding outcomes based funding, the college needs to be careful and prudent about how to go about it. There are great stories from Tennessee and other places, how it works great. There are also horror stories about how it hasn't worked. Other folks will say go in full blast, like the Director of WICHE, for thirteen states. Mr. Goulard disagrees. He thinks there is a need to work together to find out what's reasonable, what makes sense, what doesn't harm, for example small community colleges, nor the largest community college in this state.

He appreciates administration working on the Cascade underground garage to now liberate the spots that were not used very much recently. Out of the 210 spots, 50 will be designated as hourly or daily permit, but the remaining 160 can be open for staff. This is especially important for part-time faculty who teach 63% of class sections.

Classified Union

Jean Garside, President, Classified Federation

Ms. Garside noted they are having the annual holiday party this Saturday, at the Southeast Center. It's miracle on 82nd Avenue. They are excited to be at Southeast for the first time ever for the holiday party.

ASPCC

David Betts, District Student Council

Mr. Betts took a minute to note that he qualified for the Fresh Start program. He opted not to take, but it was a great option to have available.

ASPCC has been busy since the last meeting in preparation for the new budget biennium. The DSC is collaborating with parking and transportation services to come up with a budget proposal that will address the budget shortfalls that are expected from the current budget, while addressing concerns of the students with attention to the sustainability goals of the college.

The district student council leadership legislative interns have been selected. There are eight students who will be working the next two terms down in Salem, twice a week, Tuesdays and Thursdays, all day. ASPCC legislative directors across the district are meeting to discuss a postcard campaign for the PCC lobby day coming up in March. There is a small cohort of student representatives that will be sitting on the bank request for proposal coming up with Dee Wilson. In the spirit of the holidays ASPCC groups across the district had holiday giving programs that have helped students in need, along with the various diversity retention centers across the campus. They helped 44 families from Sylvania, 106 families from Cascade, 84 from Southeast, and 85 from Rock Creek. All have been able to have a better holiday than they were looking at.

Chair Palm thanked Mr. Betts for that effort, it truly makes a difference.

Board Members

Chair Palm noted the Board has heard a lot of great news and exciting things happening at PCC. There are challenges throughout the nation, and those are challenges she hoped we wouldn't be facing at this point and maturity in the nation. PCC is also challenged by these as well. On behalf of the Board of Directors she made a statement, which she read.

The Board of Directors is committed to PCC's strategic goal to be a model institution for diversity, equity and inclusion. We commend the college President and the campus Presidents, Dean of Instructions, and Deans of students, the Office of Equity and Inclusion, and all members of the PCC community who have engaged in civil, respectful dialogue regarding recent events in Ferguson, New York, and around the country. We have a responsibility to model for our students the thoughtful exchange of ideas and opinions. And, we support the efforts that are currently underway across the college to bring people together, to dialogue and to bring a more inclusive and welcoming community. So thank you all for your efforts. We truly appreciate it. You are leaders, and what you do is very, very important, and we appreciate that.

President

Dr. Jeremy Brown, President

Dr. Brown thanked Director Harper for attending the NAACP Women of Honor Luncheon at PSU. He also acknowledged Chair Palm for attending the White House College Opportunity Day of Action in Washington D.C., also for advocating for education in general in Salem last week. To be noted, the board members are really engaged in the community, and they attend a lot of events, but they get a lot of recognitions. Director Harper was reelected for the Pacific Regional Chair of the ACCT, at the recent meeting in Chicago. Director Frisbee was presented with a service award for her two years on the Governance and Policy Committee with ACCT. Director Frisbee was also recognized at the Howard Cherry dinner for outstanding board member at the OCCA Annual Conference in Sun River in November. She has served on our board since 2005 and twice been board chair, and was so honored this year as the outstanding board member for all the community colleges in the state of Oregon.

This week is finals week and the fall term officially ends this Sunday. He pointed out a few campus happenings of note. The SPDC opened an office at the Southeast campus recently. There's been a series of portraits of local small business owners in the photography exhibit at Southeast Campus. The Sylvania Campus Totem Pole was moved from outside the HT building it's now laying down and being renovated inside the CC building. It will be made vertical again some time early in 2015, and it's going to be inside this time.

Sylvania campus was once again the choice for the annual conference of the Oregon Teachers of English to speakers of other languages. There were more than 400 people present for that event. Delighted that the Rock Creek campus is continuing it's commitment to reach out to the community of Vernonia. PCC made their second major surplus donation to Vernonia schools, various computer tables and storage bins, an ADA desk, etcetera, delighted to continue in that relationship. Sylvania campus new Veterans Resource Center officially opened for business in July and celebrated its first Sylvania Salutes, a series of events during the week of Veteran's day.

Dr. Brown thanked ASPCC for the things that they've been doing recently, one thing of note, was at Southeast campus, they partnered with Columbia Medical Clinic to provide free flu shots for students at the self help fair, November 21st. It's actually a clinic owned and operated by two brothers who emigrated from Vietnam and their families when they were children.

He took the opportunity to remind people of the annual faculty, staff and retiree campaign, Give Boldly, is still in progress for those who need end of the year donations for their taxes.

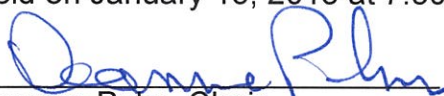
Chair Palm took a moment and wishes all a very happy holiday. Be safe, do great things. Celebrate time with your families and looking forward to seeing all back here in January. She noted that it can't be said often enough, thanking all for everything that you do for PCC, it is truly appreciated.

ADJOURNMENT

There being no further business, the meeting adjourned at 8:31 pm.

NEXT MEETING

The next business meeting of the Portland Community College Board of Directors will be held on January 15, 2015 at 7:30 PM at the Sylvania Campus


Deanna Palm, Chair


Dr. Jeremy Brown, President

Prepared by:


Jeannie Moton, Assistant to Board of Directors

Minutes approved on February 19, 2015.